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Generali Holding Vienna unifies insurance operations under IBM® DB2®

While the new Euro currency may offer some relief to CFOs in managing the finances of their pan-European operations, there's no such panacea for CIOs, who scramble to consolidate multinational information systems (IS) services. The trick, as Generali Holding Vienna has learned, is to find a unified data management solution that can serve diverse IS applications – such as transaction processing, decision support and enterprise resource planning (ERP) – equally well.

Quick and easy access to information is key for good customer service, as Generali Holding Vienna AG has proven with its new information system.

The ATS 28.5 billion (US$2.4 billion) Generali Holding Vienna (Generali) is Austria's leading provider of life, home and automobile insurance. In addition to its three million customers in Austria, the company's computing center serves more than ten million customers throughout the Czech Republic, Hungary, Slovakia and Slovenia.

"Our Vienna data center supports 300 percent more users and customers ... and we have more than doubled the volume of data in DB2. In spite of this growth, all our administrators and analysts have fast and easy access to the information they need, which is essential to ensure a high level of customer service."

Gerhard Spoerk
Manager, Data Center,
Generali Holding Vienna AG

Like many companies competing in diverse markets, Generali needed to enable its business developers to perform customer-oriented ad hoc query and analysis in order to gain in-depth views of operations across the enterprise and predict the success of new product offerings. But the non-relational IMS databases, in which the company stored all its data, were not well suited to these tasks. So, in the late 1980s, Generali chose IBM DB2 for OS/390 as the relational data repository for its query and reporting applications.

At the time, Generali's day-to-day operations – mainly policy and claims administration – were still carried out through IMS database applications. But in 1992, as the company moved to consolidate the information systems for all its subsidiaries at its data center in Vienna, it began migrating its operational data to DB2. In addition, the company is gradually shifting transaction processing activities from the IMS transaction monitor to IBM CICS® for MVS/ESA™.

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Furthermore, the company plans to integrate its ERP operations – currently a mix of SAP R/2 and R/3 applications based on IBM DB2 and Oracle® – into a consolidated SAP system on its IBM S/390 host, with DB2 serving as the data repository. And recently, the company has leveraged its knowledge of IBM DB2 beyond the host environment. New distributed applications are being developed with IBM DB2 Universal Database™ for Windows NT®.

"We chose IBM DB2 and IBM CICS for their stability and for their ability to support the increasing amounts of data and processing loads we're placing on them," says Gerhard Spoerk, manager of Generali's data center. *"Today, our Vienna data center supports 300 percent more users and customers than it did before 1992, and we have more than doubled the volume of data in DB2 over the past two years. In spite of this growth, all our administrators and analysts have fast and easy access to the information they need, which is essential to ensure a high level of customer service."*

Business intelligence paves the way for complete migration

Migrating its decision support data from IMS to IBM DB2 was a relatively straightforward move for Generali, especially since both IMS and DB2 resided on the MVS platform. Since its initial implementation of DB2, Generali has upgraded to DB2 for OS/390. The database is spread over an IBM Parallel Sysplex® cluster comprised of an IBM S/390 9672 Enterprise Server and a Comparex® M2000 server, with an S/390 9672 R15 coupling facility. By enabling data sharing in DB2 across the cluster, Generali is helping to ensure its users a yearly average availability of 99.9 percent.

When it came to Generali's mission-critical transaction processing applications, abandoning the familiar IMS environment required a more in-depth evaluation. In the late 1980s, when Generali first implemented IBM DB2 for ad hoc query and reporting, there was no clear consensus in the industry regarding the viability of relational databases for heavy-duty transaction processing. So, Generali put DB2 to the test itself, measuring CPU use and response time.

The tests proved that users would not perceive any degradation in the performance of online transaction processing applications with the switch to IBM DB2. Moreover, Generali found that in batch processing, DB2 delivered much better performance than IMS. (The company prints out all its policies and financial statements in batch mode during off-peak hours.)

At present, 1.5 million transactions daily are handled by IMS and 700,000 are managed by IBM CICS. This ratio is changing in favor of CICS as the company migrates more and more of its applications to IBM DB2.

According to Spoerk, two-thirds of the 800 gigabytes of DB2 data on the Parallel Sysplex cluster is operational data and the rest is the data warehouse. The legacy IMS operational data that has not yet been converted to DB2 also resides on these servers.

Approximately one thousand Generali analysts and business developers use IBM Query Management facility (QMF)® to query the data warehouse. The reports they generate – such as courses of action on claims, sales figures and market acceptance of current insurance products – are used to guide future product development and marketing activities on a regional basis.

The analysis of business and product performance data is becoming increasingly important as Generali Holding Vienna expands its market reach. "Sales departments in each region are measured by their sales performance," Spoerk explains. "With IBM QMF, regional managers can detect weak areas of the business early and take proactive measures to boost sales."

Spoerk notes that, since these highly segmented analyses require business users to drill down to very detailed information in the data warehouse, IBM QMF was the tool of choice. "QMF is easy to use," he says, "allowing analysts to retrieve the information they need quickly, without any help from our database experts."

IBM DB2 spreads throughout the enterprise

Generali's Parallel Sysplex cluster is also home to a DB2 database that supports SAP R/2 applications. These are only a part of the wide range of SAP applications that Generali has implemented; it also runs various R/3 applications on UNIX® servers. Now, Spoerk says, "We are trying to centralize our SAP applications on as few platforms as possible, because it makes much more sense economically."

While its legacy transaction processing, ERP and decision support applications continue to run on the host system, Generali has begun developing many of its new applications – such as business process modeling and risk assessment – in a distributed environment, using DB2 Universal Database for Windows NT. These applications will rely on IBM DB2 Connect™ to access DB2 data on the host. "DB2 is our solution of choice for both the host system and the distributed environment," Spoerk concludes. "It gives us the flexibility we need in a modern IS production environment, allowing us to make use of all of our enterprise data, both for our day-to-day operations and for developing our long-term business strategies."